CONSTITUTIONAL AMENDMENT

3lr3555 CF SB 8

By: **Delegates Feldman, Arora, and Reznik** Introduced and read first time: August 10, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

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End the Gridlock

FOR the purpose of proposing an amendment to the Maryland Constitution relating to transportation financing; providing that the General Assembly may authorize a referendum on a transportation investment program; providing that a transportation investment program submitted to referendum may include a certain source of revenue or authorize the issuance of certain bonds; requiring that a transportation investment program submitted to referendum include a list of certain transportation projects; providing that a transportation investment program submitted to referendum becomes law, after approval by the voters of the State, at a time specified in a certain law; establishing a Transportation Trust Fund to be used only for purposes relating to transportation except under certain circumstances; prohibiting the reversion or crediting of any part of the Transportation Trust Fund to the General Fund or a special fund of the State; providing that this amendment does not prohibit the allocation or use of certain funds in the Transportation Trust Fund for counties, municipalities, and Baltimore City as authorized by law; requiring that certain taxes, fees, charges, and revenues be credited to the Transportation Trust Fund; authorizing the use of funds in the Transportation Trust Fund for defense or relief purposes if the State is invaded or a major catastrophe occurs and the Governor and the General Assembly take certain actions and provide for the repayment of the funds; and submitting this amendment to the qualified voters of the State for their adoption or rejection.

BY proposing an addition to the Maryland Constitution

Article III – Legislative Department

Section 53 and 53A

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, (Three-fifths of all the members elected to each of the two Houses concurring), That it be proposed that the Maryland Constitution read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article III - Legislative Department

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- 3 (A) THE GENERAL ASSEMBLY MAY, BY LAW, AUTHORIZE A REFERENDUM ON A TRANSPORTATION INVESTMENT PROGRAM.
- 5 (B) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO 6 REFERENDUM UNDER THIS SECTION:
- 7 (1) SHALL INCLUDE A LIST OF TRANSPORTATION PROJECTS TO 8 BE COMPLETED THROUGH THE TRANSPORTATION INVESTMENT PROGRAM;
- 9 (2) MAY INCLUDE A SOURCE OF REVENUE THAT MAY BE USED SOLELY TO FULLY OR PARTIALLY FINANCE THE PROJECTS IDENTIFIED IN THE TRANSPORTATION INVESTMENT PROGRAM; AND
- 12 (3) MAY AUTHORIZE THE ISSUANCE OF BONDS SPECIFICALLY TO FINANCE THE PROJECTS IDENTIFIED IN THE TRANSPORTATION INVESTMENT PROGRAM.
- 15 (C) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO
 16 REFERENDUM UNDER THIS SECTION SHALL BECOME LAW, AFTER APPROVAL BY
 17 A MAJORITY OF THE QUALIFIED VOTERS IN THE STATE VOTING ON THE
 18 QUESTION IN A GENERAL ELECTION, AT A TIME SPECIFIED BY THE GENERAL
 19 ASSEMBLY IN THE LAW AUTHORIZING THE REFERENDUM.
- 20 **53A.**
- 21 (A) THERE IS A TRANSPORTATION TRUST FUND.
- 22 (B) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE 23 FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED ONLY:
- 24 (1) FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND 25 INTEREST ON TRANSPORTATION BONDS AS THEY BECOME DUE AND PAYABLE; 26 AND
- 27 (2) AFTER MEETING DEBT SERVICE REQUIREMENTS FOR 28 TRANSPORTATION BONDS, FOR ANY LAWFUL PURPOSE RELATED TO THE 29 CONSTRUCTION AND MAINTENANCE OF AN ADEQUATE HIGHWAY SYSTEM IN THE 30 STATE OR ANY OTHER PURPOSE RELATED TO TRANSPORTATION.

- 1 (C) NO PART OF THE TRANSPORTATION TRUST FUND MAY REVERT OR 2 BE CREDITED TO THE GENERAL FUND OR A SPECIAL FUND OF THE STATE.
- 3 (D) THIS SECTION DOES NOT PROHIBIT AN ALLOCATION OR USE OF 4 HIGHWAY USER REVENUES FOR THE COUNTIES, MUNICIPALITIES, OR 5 BALTIMORE CITY THAT IS AUTHORIZED UNDER TITLE 8, SUBTITLE 4 OF THE 6 TRANSPORTATION ARTICLE.
- 7 (E) THERE SHALL BE CREDITED TO THE TRANSPORTATION TRUST 8 FUND THE FOLLOWING TAXES, FEES, CHARGES, AND REVENUES:
- 9 (1) THE CASH PROCEEDS OF THE SALE OF CONSOLIDATED 10 TRANSPORTATION BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION 11 ISSUED FOR TRANSPORTATION PURPOSES;
- 12 **(2)** ALL FEDERAL FUNDS PROVIDED TO THE STATE FOR 13 TRANSPORTATION PURPOSES;
- 14 (3) NOT LESS THAN THE PORTION OF MOTOR FUEL TAX REVENUE 15 DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE 2, 16 SUBTITLE 11 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1, 17 2012;
- 18 (4) NOT LESS THAN THE PORTION OF MOTOR CARRIER TAX
 19 REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE
 20 2, SUBTITLE 10 OF THE TAX GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY
 21 1, 2012;
- 22 (5) NOT LESS THAN THE PORTION OF VEHICLE EXCISE TAX
 23 REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §
 24 13–814 OF THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1,
 25 2012;
- 26 (6) NOT LESS THAN THE PORTION OF CORPORATE INCOME TAX REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER § 2–614 OF THE TAX GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012;
- 29 (7) NOT LESS THAN THE PORTION OF SALES AND USE TAX 30 REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE 31 2, SUBTITLE 13 OF THE TAX GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 32 1, 2012;

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- 1 (8) VEHICLE REGISTRATION FEES COLLECTED UNDER TITLE 13, 2 SUBTITLE 9, PART II OF THE TRANSPORTATION ARTICLE;
- (9) NOT LESS THAN THE PORTION OF REVENUE FROM ALL OTHER FEES COLLECTED BY THE MOTOR VEHICLE ADMINISTRATION AND DISTRIBUTED IN WHOLE OR IN PART TO THE TRANSPORTATION TRUST FUND UNDER THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012;
- 7 (10) OPERATING REVENUES FROM FARES, FEES, RATES, RENTALS,
 8 AND OTHER CHARGES IMPOSED BY THE MARYLAND TRANSIT ADMINISTRATION,
 9 THE MARYLAND AVIATION ADMINISTRATION, AND THE MARYLAND PORT
 10 ADMINISTRATION FOR THE USE OF THEIR SERVICES OR FACILITIES; AND
- 11 (11) ALL OTHER FUNDS DISTRIBUTED TO THE TRANSPORTATION 12 TRUST FUND UNDER A LAW IN EFFECT ON JULY 1, 2012.
- 13 (F) THE FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED 14 FOR DEFENSE OR RELIEF PURPOSES IF:
- 15 (1) THE STATE IS INVADED BY LAND, SEA, OR AIR, OR A MAJOR CATASTROPHE OCCURS;
 - (2) THE GOVERNOR:
- 18 (I) PROCLAIMS A STATE OF EMERGENCY;
- 19 (II) DECLARES THAT USE OF THE FUNDS FOR DEFENSE OR 20 RELIEF PURPOSES IS NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE 21 PUBLIC HEALTH OR SAFETY; AND
- 22 (III) PROPOSES A PLAN TO REPAY THE TRANSPORTATION 23 TRUST FUND, WITHIN 5 YEARS AFTER THE USE OF THE FUNDS, FOR ANY 24 AMOUNTS USED UNDER THE AUTHORITY OF THIS SUBSECTION; AND
- 25 (3) THE GENERAL ASSEMBLY, BY LEGISLATION PASSED ON A YEA
 26 AND NAY VOTE SUPPORTED BY THREE-FIFTHS OF ALL THE MEMBERS ELECTED
 27 TO EACH OF THE TWO HOUSES OF THE GENERAL ASSEMBLY, CONCURS THAT
 28 THE USE OF THE FUNDS FOR DEFENSE OR RELIEF PURPOSES IS NECESSARY AND
 29 APPROVES THE REPAYMENT PLAN PROPOSED BY THE GOVERNOR.
- SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly determines that the amendment to the Maryland Constitution proposed by this Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the

Maryland Constitution concerning local approval of constitutional amendments do not apply.

3 SECTION 3. AND BE IT FURTHER ENACTED, That the aforegoing section proposed as an amendment to the Maryland Constitution shall be submitted to the 4 qualified voters of the State at the next general election to be held in November, 2012 5 6 for their adoption or rejection pursuant to Article XIV of the Maryland Constitution. 7 At that general election, the vote on this proposed amendment to the Constitution 8 shall be by ballot, and upon each ballot there shall be printed the words "For the 9 Constitutional Amendment" and "Against the Constitutional Amendment," as now provided by law. Immediately after the election, all returns shall be made to the 10 Governor of the vote for and against the proposed amendment, as directed by Article 11 XIV of the Maryland Constitution, and further proceedings had in accordance with 12 Article XIV. 13